

(ಶ್ರೀ ಜಿ. ವೆಂಕಟಪ್ಪ)

ಸಾಧ್ಯವಿಲ್ಲ. ಇನ್ನು ಮುಂದೆಯಾದರೂ ಸರ್ಕಾರ ಇಂಥ ಒಂದು ಪಕ್ಷಪಾತ ಭಾವನೆಯನ್ನು ಯಾರಿಗೂ ಮಾಡುವುದಿಲ್ಲವೆಂಬ ಒಂದು ಭರವಸೆಯನ್ನೀಗ ಅವರು ಈ ಸಭೆಗೆ ನೀಡಬೇಕಾಗಿದೆ. ಸರ್ಕಾರದವರು ನೇಮಿಸಿಕೊಂಡಿರತಕ್ಕ ಆ ಸದಸ್ಯರ ಪಟ್ಟಿಯಲ್ಲಿ ಸ್ವತಂತ್ರ ಪಾರ್ಷ್ವಯವರ ಹೆಸರುಗಳೊಂದೂ ಇಲ್ಲ.

ಶ್ರೀ ಟಿ. ಮರಿಯಪ್ಪ.—ಶ್ರೀ ಎಂ. ಸಿ. ನರಸಿಂಹನ್ ಎಂಬತಕ್ಕೆ ಸ್ವತಂತ್ರ ಪಕ್ಷದ ಸದಸ್ಯರ ಹೆಸರನ್ನು ಸೇರಿಸಿ ರತಕ್ಕದ್ದನ್ನು ಅವರು ಮರೆತಿದ್ದಾರೆ. ಹೇಗೂ ಆ ಸೆರೆಕ್ಸ್ ಸಮಿತಿಯವರ ವರದಿ ತಮ್ಮೆಲ್ಲರ ಮುಂದೆ ಬಂದೇ ಬರುತ್ತದೆ. ಹಾಗೂ ಅವರಿಗೆ ಬೇಕೆಂದರೆ ಅವರ ಪಕ್ಷದಲ್ಲರುವ ಶ್ರೀ ವೆಂಕಟೇಗೌಡರನ್ನೂ ಸಹ ಈ ಪಟ್ಟಿಯಲ್ಲಿ ಸೇರಿಸಲು ನನ್ನ ಅಭ್ಯಂತರವೇನೂ ಇಲ್ಲ.

ಶ್ರೀ ಜಿ. ವೆಂಕಟಪ್ಪ.—ಸ್ವಾಮಿ P.S.P. ಪಾರ್ಷ್ವಯಲ್ಲಿ 18 ಜನರಿದ್ದಾಗ್ಯೂ ಅವರಿಗೂ ಎರಡು ಸ್ಥಾನ ಕೊಟ್ಟಿದ್ದಾರೆ. ನಾವು 35 ಜನರಿದ್ದರೆ ನಮಗೂ 2 ಸ್ಥಾನಗಳನ್ನು ಕೊಟ್ಟಿದ್ದಾರೆ. ಈ ರೀತಿ ಸರ್ಕಾರದವರು ಮಾಡುತ್ತಿರುವುದು ಪೂರಾ ಅನ್ಯಾಯ. ಇಂಥದಕ್ಕೆ ಅವಕಾಶಕೊಡಬಾರವೆಂದು ನಾನು ತಮ್ಮ ಮೂಲಕ ಅವರಿಗೆ ಸೂಚನೆಮಾಡುತ್ತೇನೆ.

ಅಧ್ಯಕ್ಷರು.—ಒಮ್ಮೆ ತಾವೊಂದು ಮಾತುಹೇಳಿದ ಮೇಲೆ ತಾವು ಕುಳಿತು ಕೊಳ್ಳಬೇಕು. Shall I include Sri G. Venkatai Gowda also ?

Sri T. MARIAPPA.—Yes. I respectfully submit that there can be no more additions. It is already an unwieldy body.

Mr SPEAKER.—The question is :

“That the Mysore Sales Tax Bill, 1957, be referred to a Select Committee consisting of the following members :

1. The Minister for Finance
2. The Minister for Labour and Legal Affairs
3. Shri Kadidal Manjappa
4. Shri A. Bheemappa Naik
5. Shri D. T. Seetharama Rao
6. Shri K. Puttaswamy
7. Shri A. V. Narasimha Reddy
8. Shri N. Raghiah
9. Shri L. S. Venkaji Rao
10. Shri K. P. Gadag
11. Shri K. F. Patil
12. Shri K. Mallappa
13. Shri S. D. Kothavale
14. Shri Annarao Ganamukhi
15. Shri B. V. Desai
16. Shri K. Kenchappa
17. Shri M. C. Narasimhan
18. Shri B. Basavalingiah
19. Shri R. Nagan Gowda
20. Shri B. K. Puttaramiya
21. Shri Gajanan Pandit

22. Shri G. N. Puttanna

23. Shri C. K. Rajaiahsetty

24. Shri G. Venkatai Gowda

with a direction to present the report within a week.”

The motion was adopted.

Mr. SPEAKER.—I appoint the Hon'ble Minister for Finance as Chairman of the Select Committee.

12 NOON.

MYSORE AGRICULTURAL INCOME-TAX BILL, 1957.

Motion to consider.

Sri T. MARIAPPA (Minister for Finance).—Sir, I beg to move :

‘That the Mysore Agricultural Income-Tax Bill, 1957, be taken into consideration.’

Mr. SPEAKER.—Motion moved :

“That the Mysore Agricultural Income-Tax Bill, 1957, be taken into consideration.”

Sri T. MARIAPPA.—Sir, before this Bill is actually taken into consideration, I would like to make a few remarks. The House is aware that at present the following four Agricultural Income-Tax Acts are in force in the respective areas of the State as noted against each :

- (1) The Mysore Agricultural Income-Tax Act, 1955. (Mysore Act 4 of 1955).—Mysore Area.
- (2) The Madras Plantations Agricultural Income-Tax Act, 1955.—South Kanara District and Kollegal Taluk.
- (3) The Hyderabad Agricultural Income-Tax Act (No. XIII-J), 1950.—Hyderabad Area.
- (4) The Coorg Agricultural Income-Tax Act (No. 1) of 1951.—Coorg District

There is no Agricultural Income-Tax Act in the Bombay Area.

There is wide disparity both as regards the coverage of the levy and its

incidence in the different parts of the new State. It is, therefore, desirable that uniformity in the rates of tax and mode of levy is brought about throughout the new State as soon as possible not only in the interest of even distribution of the tax burden but in the paramount interest of the State's finances also. In this connection, I may draw the attention of the Hon'ble House to the observations made in the Taxation Enquiry Commission's Report. The committee were of the view that all agricultural incomes above Rs. 2,000 a year should be taxed and that a surcharge on agricultural income-tax based on the non-agricultural income of the assessee should be levied (Pages 222 and 223 of Vol. III of the Taxation Enquiry Commission Report). The Mysore Finance Enquiry Committee have at paras 50-51, pages 56-57 of Vol. V of their Report expressed their opinion as follows:—

“The recommendation of the Taxation Enquiry Commission regarding the levy of an agricultural income-tax, though made with the intention of introducing an element of progression in the levy of the land tax, will also bring in a sizeable additional revenue. Legislation has been passed in Mysore in 1955 for the levy of an agricultural income-tax in respect of commercial crops. The broad features of this tax are described in Chapter 12 of Part II. A revenue of about Rs. 10 lakhs a year is anticipated from this tax. We would recommend the extension of the coverage of this tax to all crops instead of restricting it only to commercial crops. The taxable minimum and the rates of the tax on the various slabs should, in our opinion, approximate to the scheme of levy of the non-agricultural income-tax, as the ultimate aim is to merge the two into a single integrated system of income-tax. The question of imposing a surcharge on agricultural income-tax on the basis of the assessee's non-agricultural income (as recommended by the Taxation

Enquiry Commission) might also be considered.”

The Bombay Karnatak has so far enjoyed immunity from the levy of Agricultural Income-Tax. It should now toe the line with the rest of the new State. The systems of levy in Madras and Mysore are relatively more recent and less developed than in Hyderabad and Coorg. The coverage of tax under the Madras Act is confined to plantation crops only in consideration perhaps of the fact that a surcharge on land revenue is levied in that State. The Mysore Agricultural Income-Tax Act is an improvement to the extent that its coverage extends to selected commercial crops in addition to plantation crops. Both the Madras and the Mysore systems which have much in common between them including the computation scheme are obviously of a tentative character. For one thing the taxation of only plantation lands or selected commercial crops to the total exclusion of all other crops would not be justified. This is not only discriminatory but is likely to make the tax system lop-sided and press heavily on a few categories of agriculturists. Secondly since it is the “surplus” of an agriculturist that is taxed, there can be no valid objection to the taxation of income from all crops on the ground that the tax would affect agricultural production. Both the Taxation Enquiry Commission and the Mysore Finance Enquiry Committee have recommended the extension of the coverage of the tax to all crops. In fact, the tax already covers all crops under the Hyderabad and Coorg Agricultural Income-Tax Acts and in the latter area the levy of tax has produced a distinctly favourable effect on agricultural production and the conditions of living of the agricultural workers indirectly, inasmuch as a good part of the annual income is being ploughed back into agriculture to avoid payment of tax at a higher rate. This is perhaps the most convincing argument for the extension of the coverage of the levy to income from all crops. The second argument is the need to place all classes of agricultural

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producers on an equal footing and to make the tax system broad-based. The justification for the broadening of the tax system stems from the need to bring about due balance between the levels of agricultural and non-agricultural taxation and to introduce an element of progression in the taxation of rural incomes with a view ultimately to merge the agricultural with non-agricultural income in the combined system of taxation envisaged by the Taxation Enquiry Commission. The most important consideration in favour of a full-fledged system of levy of agricultural income-tax as in Coorg is the paramount need of the exchequer. Among the items of revenue allocated in the States List under the Constitution, Agricultural Income-Tax is an elastic source of revenue next only to sales-tax and it has yet to be fully exploited and developed for improving the financial resources of the State. I would for these reasons propose the extension of the Coorg pattern of Agricultural Income-Tax levy uniformly throughout the new Mysore State with certain modifications. We have proposed in the new Act the rate of taxable minimum as Rs. 3,500. We have for reasons obvious to the House still retained the old feature of the Mysore legislation and confined it to commercial crops. We have also made provision for the composition of the tax and for exemptions up to certain limits of acreage. The rate of tax has also been stepped up a bit above that of Coorg. It is therefore for the consideration of the House and I hope the House will view this new piece of legislation with a great deal of sympathy and consideration from the point of view of improving the resources of the State.

With these few words, I commend the Bill for the consideration of this august House.

Mr. SPEAKER.—Motion moved:

“That the Mysore Agricultural Income-Tax Bill, 1957, be considered”.

Those in favour. . . .

ಶ್ರೀ ಬಿ. ಕೆ. ಪುಟ್ಟರಾಮಯ್ಯ (ಚನ್ನಪಟ್ಟಣ).—
ಸ್ವಲ್ಪ ಚರ್ಚೆಯಾಗಿ ಸೆಲೆಕ್ಟ್‌ನಮಿತಿಗೆ ಹೋಗುವುದು
ಒಳ್ಳೆಯದು

Sri M. C. NARASIMHAN.—(Kolar Gold Field) It is being suggested that the Agricultural Income-Tax Bill is also to go to the Select Committee?

Mr. SPEAKER.—Yes.

Sri M. C. NARASIMHAN.—We would first like to have general discussion on this Bill before it is sent to the Select Committee.

Mr. SPEAKER.—I did not say ‘No’. Nobody stood up. If it is the desire of the Hon’ble Members to discuss it generally, I have no objection. I cannot ask the Hon’ble Members to get up and offer remarks.

Sri T. MARIAPPA.—In view of the fact that this Bill is going to be referred to a Select Committee let us briefly discuss it till about 12 or 1 O’clock and thereafter it may be referred to a Select Committee. I have purposely put more Members of the Opposition on the Select Committee.

Sri M. RAMAPPA (Harihar).—The Members of the Select Committee would like to know the views of this House. So it would be better if this Bill is taken up on Monday.

Mr. SPEAKER.—That is for the House to decide.

ಶ್ರೀ ಕೆ. ಎಸ್. ನೂರ್‌ನಾರಾಯಣರಾವ್ (ಮೈಸೂರು ಸಿಟಿ).—ಹಣಕಾಸಿನ ಮಂತ್ರಿಗಳು ಒಪ್ಪಿ ಕೊಳ್ಳುವುದಾದರೆ, ಇದು ಸೆಲೆಕ್ಟ್ ಕಮಿಟಿಗೆ ಹೋಗುವುದಕ್ಕೆ ಮುಂಚೆ ಇದನ್ನು ಸ್ವಲ್ಪ ಚರ್ಚೆ ಮಾಡುವುದು ಒಳ್ಳೆಯದು. ಈಗಾಗಲೇ ಕಾಲ ಬಹಳವಾಗಿದೆ. ಈಗ ಒಬ್ಬಿಬ್ಬರು ಸದಸ್ಯರು ಮಾತನಾಡುವುದಕ್ಕೆ ಅವಕಾಶ ಕೊಟ್ಟು ಇದರ ಮೇಲಿನ ಚರ್ಚೆಯನ್ನು ಸೋಮವಾರ ತೆಗೆದುಕೊಳ್ಳುವುದಕ್ಕೆ ಅವಕಾಶ ಮಾಡಿಕೊಡಬೇಕೆಂದು ಹೇಳುತ್ತೇನೆ.

ಶ್ರೀ ಬಿ. ಎ. ಮೊದಲಗಿರಿಗೌಡ (ಕುಣಿಗಲು).—ಮಾನ್ಯ ಹಣಕಾಸಿನ ಮಂತ್ರಿಗಳು ಒಳ್ಳೆಯ ಅನುಭವಿಗಳು ಎಂದು ಹೇಳಿಕೊಂಡಿದ್ದಾರೆ. ಅದನ್ನು ನಾನೂ ಒಪ್ಪಿಕೊಳ್ಳುತ್ತೇನೆ. ಆದರೆ ಅನುಭವವನ್ನು ಅನುಸರಿಸಿಯೇ ಈ ವಿಷಯವನ್ನು ಹೇಳುತ್ತಿದ್ದೇನೆ. ಹಿಂದಿನ ಪದ್ಧತಿಯಲ್ಲಿ ಬರಗಳನ್ನು ಸಾಧಾರಣವಾಗಿ ಸೆಲೆಕ್ಟ್ ಕಮಿಟಿಗೆ ಕಳುಹಿಸುವುದಕ್ಕೆ ಮುಂಚಿತವಾಗಿ ಈ ಸಭೆಯಲ್ಲಿ ಸ್ವಲ್ಪ ಚರ್ಚೆಯಾಗುತ್ತಿತ್ತು. ಆದರಲ್ಲದೂ ಫೈನಾನ್ಸ್ ಬರ್ಟ್ಸ್ introduce ಮಾಡುವಾಗ ಸಾಕಾದಷ್ಟು ಕಾರಾವಕಾಶವನ್ನು ಮೊದಲು ಕೊಡಬೇಕು, ಅನಂತರವೂ ಸಂದರ್ಭಾನುಸಾರ ಬೇಕಾದಷ್ಟು ಅವಕಾಶವನ್ನು ಕೊಡಬೇಕು. ಸೆಲೆಕ್ಟ್ ಕಮಿಟಿಗೆ ಹೋಗುವುದಕ್ಕೆ ಮುಂಚೆ ಚರ್ಚೆಮಾಡಲು ಅವಕಾಶ ಬೇಕೇ ಬೇಕು. ಅದಾದರಿಂದ ಸಾಕಾದಷ್ಟು ಅವಕಾಶವನ್ನು ಕೊಡಬೇಕೇ ವಿನಾ ಕಾಲವನ್ನು ಮಿತಿ ಮಾಡಿಕೊಡದು, ಆ ರೀತಿ ಮಾಡುವುದು ಸರಿಯಲ್ಲವೆಂದು ನನ್ನ ಭಾವನೆ. ಈ ಮಸೂದೆಯನ್ನು ಚರ್ಚೆಮಾಡಿ ಅದರಲ್ಲಿರತಕ್ಕ ಸಾಧಕಬಾಧಕಗಳನ್ನು ಸೆಲೆಕ್ಟ್ ಕಮಿಟಿ ಸದಸ್ಯರ ಗಮನ

ನಕ್ಕೆ ತರುವುದಕ್ಕೆ ಅವಕಾಶವನ್ನು ಕಲ್ಪಿಸಿಕೊಡಬೇಕೆಂದು ತಮ್ಮನ್ನು ಪ್ರಾರ್ಥನೆಮಾಡಿಕೊಳ್ಳುತ್ತೇನೆ.

Sri T. MARIAPPA.—My idea is not to stifle discussion at all. I was under the impression that since this is only a measure for adoption of a uniform law for agricultural income tax throughout the State, members would not like to discuss it much, but as I find that most of the members desire to have discussion I do not want to come in their way. We can take up this Bill on Monday also, but let the discussion continue till 12-30 P.M.

Sri V. S. PATIL (Belgaum I).—Mr. Speaker, Sir, the Bill that has been placed before the House by the Hon'ble Finance Minister deals with a new tax that is going to be imposed so far as Bombay Karnatak is concerned. That is why we feel that this Bill requires a very careful scrutiny. There is a move for introducing uniform legislation throughout the State, so far as tenancy laws are concerned. Government have already appointed a committee to go into the various tenancy laws and to make recommendations to Government for the introduction of a uniform tenancy law. Such a piece of legislation, when it comes, will certainly put a limit on the holdings of agricultural land. In that case the present Bill will come in the way of the operation of that measure. So I feel that both these two measures, namely, the Agricultural Income Tax Bill and the uniform Tenancy Bill will have to be considered by the House at one and the same time. If we take up the present Bill now and if we place some restrictions that below a particular holding there shall be no tax or below a particular net income there shall be no tax, then when the Tenancy Bill comes up later on, the Finance Minister is likely to oppose the measure of reducing the ceiling area on the ground that he will lose the agricultural income tax. Such a contingency should not happen and that is why I request the Finance Minister to bring the present Bill along with the new Tenancy Bill as otherwise there will be conflict between the two. So far as tenancy legislation is concerned, we insist that the ceiling should be as low as possible and the same is

with regard to the economic holding. If that is accepted and implemented, then this Bill which seeks to exempt certain acreage of land holdings from tax will have no effect at all. Under the circumstances, I would submit to the Finance Minister to postpone the consideration of this Bill for a few months or to request that Committee on tenancy legislation to submit its report early so that that Bill also may come along with this Bill. I do not mean that that Bill should not be brought in the current session itself. It may be brought in the current session itself so that both the Bills which are inter-linked may be considered together.

The next point that I want to submit is that it is very difficult for the agriculturists to maintain clear accounts of their expenditure. The minimum limit for assessment of agricultural income tax is Rs. 3,500. It is very difficult for the agriculturists to maintain clear accounts as they are mostly illiterate. So, a method will have to be found out as to how this expenditure is to be calculated and then how the net income is to be ascertained. Unless it is done, I feel, Sir, that some injustice will be done to the agriculturists who are ignorant and their ignorance should not be the cause for their being taxed higher than those who are literate or those who are intelligent. For this purpose also, some remedy will have to be found out under which no injustice will be done to the ignorant people because they are unable to maintain accounts.

Thirdly, the food crops which are required to be produced to maintain our increasing millions year by year should be exempt from this tax.

Sri T. MARIAPPA.—I have made it very clear that food crops are exempt; so far as the present Bill is concerned, I just quoted the recommendation of the Taxation Enquiry Committee.

Sri V. S. PATIL.—I referred to this, Sir, because even though under the present Bill there is an exemption, in the report that was read by the Hon'ble Minister, there is a recommendation that food crops should not be exempted

(SRI V. S. PATIL).

When this Bill goes to the Selec. Committee, it may try to increase the income by taxing the food crops. I would like to submit that foodgrains should not be taxed, at least for a period of five or ten years until our country becomes not only self-sufficient but can produce foodgrains with a view to export. If our country increased the foodgrains or food crops, then we will consider about taxation of foodgrains; otherwise not. With these

remarks I desire to support this Bill, and also because of other reasons, of which I would speak after the Committee reports.

Mr. **SPEAKER**.—We will now adjourn for the day.

The House adjourned at Twenty-five minutes past Twelve Of the Clock to meet again at Two of the Clock on Monday, the 15th July 1957.
